

BEFORE THE NEBRASKA DEPARTMENT OF INSURANCE  
STATE OF NEBRASKA

**FILED**

RESPONDENT.

## CONSENT ORDER

1. The Department initiated this administrative proceeding by filing a petition styled State of Nebraska Department of Insurance vs. Lori A. Reed on July 10, 2003. A copy of the petition was served upon the Respondent at her registered address with the Department of Insurance of 310 North 41<sup>st</sup> Street, Omaha, NE 68131 by certified mail, return receipt requested.

2. Respondent violated Neb. Rev. Stat. §44-4059(1)(b), (d) and (h) as a result of the following conduct:

- a. On or about September 27, 1999, Respondent was affiliated with Travelex Insurance Services, Inc., ("Travelex"), as a Regional Account Manager and, during the course of her affiliation with Travelex did set up an independent contractor account utilizing her husband's surname of "Ferguson" as the independent contractor name and his social security number for the account. In doing so, Respondent committed acts prohibited by the Unfair Trade Practices Act, §44-1525(5)(b).
- b. During the period from September 27, 1999 to on or about June 8, 2000, Respondent generated sales for Travelex to imply that the sales were made by independent contractor Ferguson. As a Regional Account Manager, Respondent would receive 10% commission on direct sales. Through the independent contractor Ferguson account, Respondent received 30% commission on the sales. Respondent induced Travelex to issue 33 commission checks in various amounts which total \$10,593 made payable to "Ferguson" and which were mailed to a post office box in Council Bluffs, Iowa which was the address of record for "Ferguson."
- c. Respondent had access to the post office box, collected the commission checks, endorsed the checks, and deposited same into her personal bank accounts.

3. Respondent was informed of her right to a public hearing. Respondent waives that right, and enters into this Consent Order freely and voluntarily. Respondent understands and acknowledges that by waiving her right to a public hearing, Respondent also waives her right to confrontation of witnesses, production of evidence, and judicial review.

4. Respondent neither admits nor denies the allegations contained in the Petition and restated in Paragraph 2 above.

#### CONCLUSIONS OF LAW

Respondent's conduct as alleged above constitutes violations of Neb.Rev.Stat. §44-4059 (1)(b), (d), and (h).

CONSENT ORDER

It is therefore ordered by the Director of Insurance and agreed to by Respondent, Lori A. Reed, that Respondent consents to the suspension of her insurance agent's license for a period of six (6) months beginning the date the Director of Insurance signs this Consent Order. The Nebraska Department of Insurance shall retain jurisdiction of this matter for the purpose of enabling the Respondent or the Department to make application for such further orders as may be necessary.

In witness of their intention to be bound by this Consent Order, each party has executed this document by subscribing his or her signature below.

Christina M. Wright  
Attorney for Petitioner  
2/20/04  
Date

Lori A. Reed  
Lori A. Reed  
2-20-04  
Date

Doreen B. Miller  
Attorney for Respondent  
2-20-04  
Date

State of Nebraska                    )  
  ) ss.  
County of Lancaster                )

On this 20<sup>th</sup> day of February, 2004, Lori A. Reed personally appeared before me and read this Consent Order, executed the same and acknowledged the same to be her voluntary act and deed.

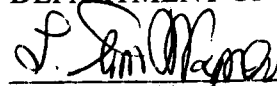


Michelle S. DeHaven  
Notary Public

CERTIFICATE OF ADOPTION

I hereby certify that the foregoing Consent Order is adopted as the Final Order of the Nebraska Department of Insurance in the matter of State of Nebraska Department of Insurance vs. Lori A. Reed, Cause No.: A-1511.

STATE OF NEBRASKA  
DEPARTMENT OF INSURANCE

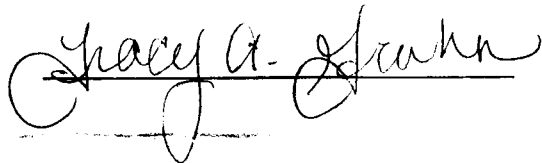


L. TIM WAGNER  
Director of Insurance

2/24/04  
Date

CERTIFICATE OF SERVICE

I hereby certify that a copy of the executed Consent Order was served upon Respondent by mailing a copy to Respondent's counsel, Donald B. Fiedler, 503 ½ South 11<sup>th</sup> Street, #1, Omaha, NE 68102 by certified mail, return receipt requested, on this 2<sup>nd</sup> day of <sup>March</sup> ~~January~~, 2004.



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